



**MEETING OF THE HEALTH BENEFITS COMMITTEE OF THE RETIREMENT BOARD
OF THE COUNTY EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUND
OF COOK COUNTY AND EX OFFICIO FOR THE FOREST PRESERVE DISTRICT
EMPLOYEES' ANNUITY AND BENEFIT FUND OF COOK COUNTY**

**33 N Dearborn St, Suite 1000
Chicago, Illinois 60602**

Minutes for the November 21, 2013 Meeting

The County Employees' and Officers' Annuity and Benefit Fund of Cook County and the Forest Preserve District Employees' Annuity and Benefit Fund of Cook County Fund are herein collectively referred to as the "Fund." **All committee recommendations are preliminary in nature; as such, they are subject to review and approval by the full Retirement Board.**

Call to Order and Roll Call.

Trustee Committee Members Present:	John Fitzgerald (Chair), Brent Lewandowski, Alexis Herrera, Patrick McFadden
Additional Trustees Present:	Samuel Richardson, Diahann Goode and Patrick Nester
Staff Present:	Nickol Hackett, Executive Director; Staff: Brenda Deming, Rachel Howliet, Rachel Farris, Gary LeDonne, Paul Rzeszutko and Margaret Fahrenbach
Others Present:	John Gingell, Segal Company; Kati Sabo Office of Cook County Commissioner Gainer.

Public Comment.

Trustee Fitzgerald asked if anyone present would like to address the Committee. There being no public comment, the meeting continued.

1. Review and Consideration of October 24, 2013 Health Benefits Committee Meeting Minutes.
2. Administrative Report

Ms. Deming provided a report of activity during the month as follows:

Audit of Current BCBS bills

In preparation for the new self-billing process the Health Benefit Department performed an audit of the

PPO administrative fee bill. During 2013 the Fund has been charged for 180 members monthly that are Medicare splits, where one person is over age 65 and one person under 65. In this situation only one administrative fee applies. Based on the audit results, staff met with the BCBS account team and have requested a refund of all amounts overpaid in 2013, which is approximately \$80,000. As the self-billing process is implemented in 2014 we may have further cleanup to do, but will not be overpaying.

Additional billing errors have been detected with the Classic plan, the full financial impact has not been determined but a request has been made that BCBS audit their billing to CCPF for 2013 and provide us with the outcome. The Trustees requested a timeline for response from Blue Cross Blue Shield for the credit to be given.

Performance Guarantees

For 2014 the Fund will be implementing performance guarantees on BCBS account service. They will include financial and claims accuracy and member call wait times. Ms. Deming also stated the Fund would request account management criteria to be included in the performance guarantee, and that the terms of the agreement would be presented for review at the next meeting.

Open Enrollment and HMO Migration Plan Update

To date there have been a total of 90 change forms for 2014. With the notification to each Classic member that they are being changed to Blue Advantage unless they have one of the 4 additional network hospitals as their IPA choice, we have only 15 reenrollments. Approximately 55 members are switching to the PPO plan. These changes are much fewer than in recent years.

Analysis of High Cost and Chronic Conditions

On November 12th the Health Benefits Team met with a specialist from BCBS and also Paul Janus of Segal to define a plan to analyze data on the top three or four conditions impacting our members. From this data analysis we then expect to work to develop a plan for 2014 to identify risk factors for these conditions. This data will be used to review possible interventions or programs that could impact member health and Fund expense. Ms. Deming reported as an example that there were four end stage renal disease claims totaling \$813,000 in expense 2013.

Mr. Gingell provided an update of the CVS pharmacy audit that Segal is performing. He indicated that the audit will be finished in early January. At this time the initial observations are that CVS has high claims accuracy, but that there is an issue concerning contract adherence which will need to be corrected. The findings also indicate some instances where there are discrepancies with controlled substances.

3. Open Enrollment Survey Results

Ms. Deming presented the summary findings of the survey, which were as follows: participants rated satisfaction at 93% with the medical plan and 92% for the pharmacy program. Member comments indicate that they would like more communication on their benefits throughout the year, and that they would like presentations of how their plans work. The survey responses also indicated that members are interested in working on health-related issues and would like to have fitness benefits available.

The Trustees discussed the various comments members made and affirmed the positive results,

including acknowledgement to Fund staff of member comments on the high quality of service they receive.

4. Service Based Subsidy Legal Review

Ms. Fahrenbach presented the preliminary results of her research into the legal environment surrounding the Fund's health benefit subsidy schedule. She reported that while annuity benefits and ordinary disability benefits are tied to a member's years of service, the Pension Code and other applicable law did not expressly establish rules or address the issue of health benefit subsidies. However, the provision of subsidies are addressed in the Pension Code.

Mr. Rzeszutko gave an update on the Operational and Systems review portion of the service based subsidy project. He described the revisions to our PBM system that the new schedule will require, and stated that the new schedule will increase the number of members who pay for monthly coverage by check. As we do not currently have an accounts payable system for these payments, further development will be necessary to create one within the PBM system.

5. Adjournment

It was moved by Trustee Lewandowski and seconded by Trustee Richardson to adjourn the meeting.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.